

The Aluminum Situation

ECONOMICS AND STATISTICS

JANUARY 1991

INDUSTRY SHIPMENTS DOWN 3.5 PERCENT FROM 1989

THRU NOVEMBER 1990

Through eleven months of 1990, net shipments totaling 14,451 million pounds, decreased 3.5 percent from the 1989 comparative level of 14,977 million pounds. Domestic shipments, totaling 12,112 million pounds, were down 5.5 percent from the 1989 total of 12,819 million pounds.

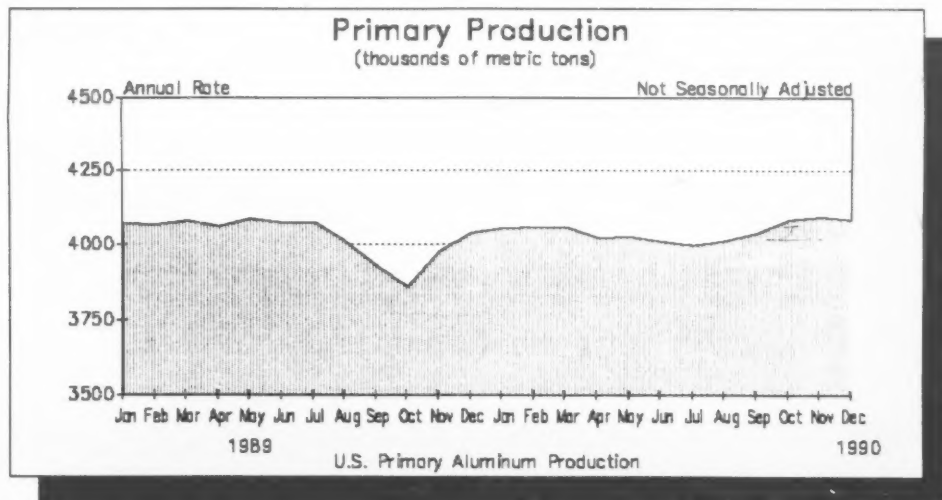
U.S. exports of aluminum ingot and mill products, totaling 2,339 million pounds during eleven months, have increased 8.4 percent from the 1989 total of 2,158 million pounds.

	1990 11 Mos.	1989 11 Mos.	% Change
Mill Products	11,845	12,032	-1.6
Ingot	2,606	2,945	-11.5
Total	14,451	14,977	-3.5
Less Exports	2,339	2,158	8.4
Domestic Total	12,112	12,819	-5.5

Figures in Millions of Pounds
Source: Bureau of the Census
U.S. Department of Commerce

1990 PRIMARY PRODUCTION REPORTED 4,048,290 METRIC TONS

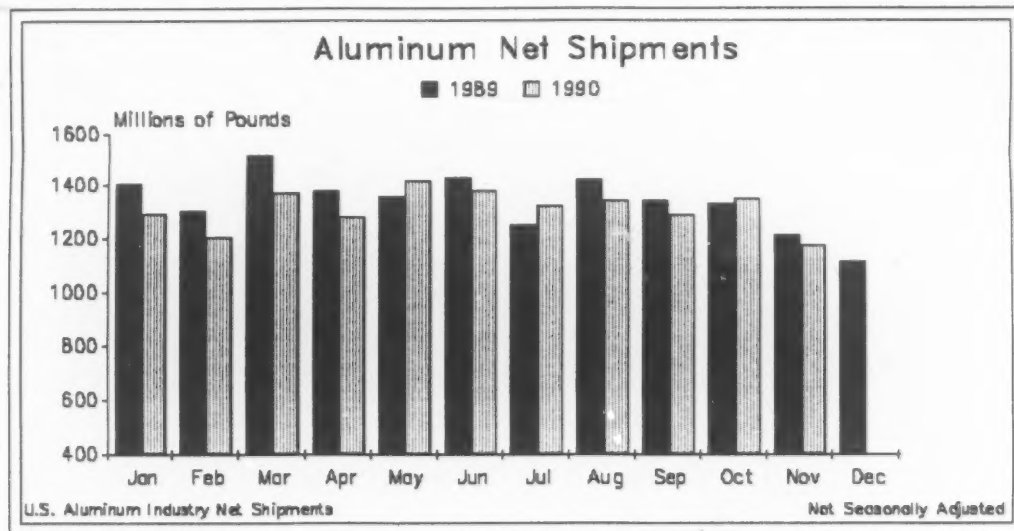
U.S. primary aluminum production for the full year 1990 totaled 4,048,290 metric tons, up 0.4 percent from the previous year total of 4,030,211 metric tons. During December 1990, the daily rate of production averaged 11,198 metric tons. This compares with an average of 11,072 metric tons a day in December 1989 and 11,225 metric tons a day in November 1990. Production in December 1990 totaled 347,151 metric tons.



This report contains information reported to the Association by the domestic producers, which is aggregated by the Association. While the Association believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision.

NOVEMBER INDUSTRY SHIPMENTS REPORTED AT 1,176 MILLION POUNDS

According to Bureau of the Census reports, November industry net shipments totaling 1,176 million pounds, dropped 13.1 percent from the previous month's revised total of 1,352 million pounds. Year-to-date, reported industry net shipments totaling 14,451 million pounds, decreased 3.5 percent from the 1989 level of 14,977 million pounds for the same period. During eleven months of 1990, Census reported that producer shipments of aluminum rod, bar and wire, totaling 293 million pounds, increased 38.3 percent over the previous year while shipments of sheet, plate and foil totaling 7,790 million pounds have decreased 1.4 percent. Shipments of extruded shapes and tube, totaling 2,305 million pounds, declined 6.8 percent from the same period in 1989.



NET SHIPMENTS (Millions of Pounds)	1990 November	1989 November	1990 11 Mos.	1989 11 Mos.	% Change 1990 vs 1989
Sheet	554.3	518.7	6,713.7	6,784.5	-1.0
Plate	18.4	24.4	230.9	288.6	-20.0
Foil	72.0	72.7	845.3	825.0	2.5
Rod, Bar & Wire	29.7	20.3	292.3	211.4	38.3
Elec. Conductor	39.5	49.8	540.5	638.2	-15.3
Extruded Shapes, Tube	173.5	207.0	2,304.8	2,473.4	-6.8
Powder & Paste	8.6	7.3	91.8	84.9	8.1
Forgings & Impacts	9.8	12.6	141.6	147.3	-3.9
Net Imports of Mill Products (Total) (a)	68.3	46.8	683.8	578.7	18.2
Total Mill Products	974.1	959.5	11,844.6	12,032.0	-1.6
Ingot	202.0	256.6	2,606.4	2,944.6	-11.5
TOTAL INDUSTRY SHIPMENTS	1,176.1	1,216.1	14,451.0	14,976.5	-3.5
Exports	219.0	241.7	2,338.6	2,157.6	8.4
TOTAL DOMESTIC SHIPMENTS	957.1	974.4	12,112.3	12,818.9	-5.5

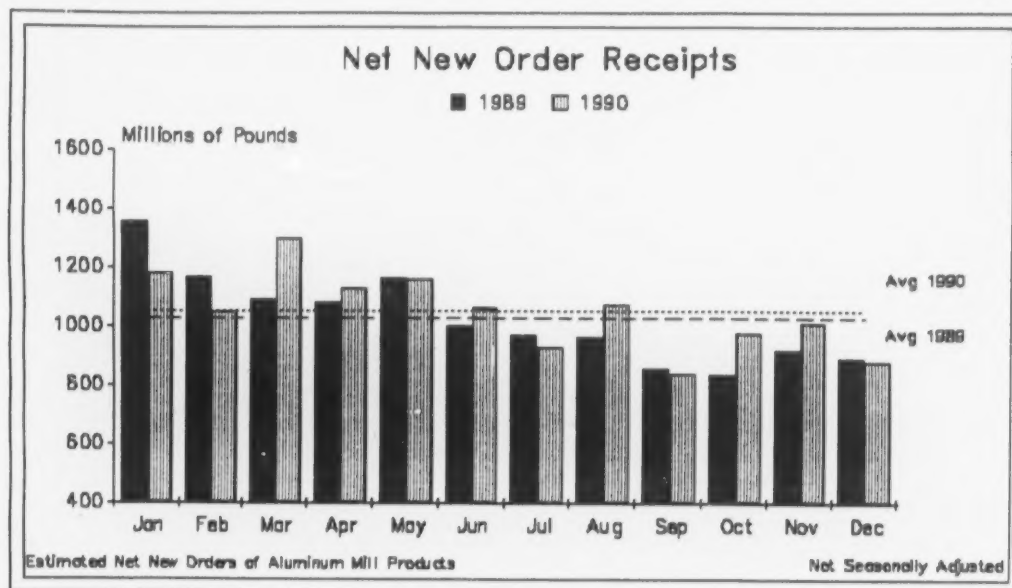
Source: Bureau of the Census, U.S. Department of Commerce - CIR M33-D

Note: Cumulative data includes revisions for previous periods

(a) Not included in product data above.

INDUSTRY NEW ORDERS UP 2.4 PERCENT OVER 1989

Estimated net new order receipts of aluminum mill products for the full year 1990 totaled 12,611 million pounds, an increase of 2.4 percent from the previous year total of 12,317 million pounds. During the month of December 1990, industry order receipts totaling 881.7 million pounds, declined 13.0 percent over the previous month total of 1,014 million pounds.



ORDER RECEIPTS (Millions of Pounds)	1990 December	1989 December	1990 12 Mos.	1989 12 Mos.	% Change 1990 vs 1989
Sheet & Plate, Other	256.9	279.5	4,113.6	3,994.7	3.0
Can Stock (a)	293.8	264.0	3,838.3	3,572.2	7.4
Foil	75.6	84.9	1,011.9	1,023.3	-1.1
Bar, Rod & Wire	35.4	30.3	521.9	405.5	28.7
Electrical Conductor	55.0	46.4	567.3	643.2	-11.8
Extruded Shapes & Tube	149.2	173.7	2,287.7	2,420.3	-5.5
Powder & Paste	8.0	6.9	125.9	108.2	16.4
Forgings & Impacts	7.8	9.2	144.2	149.2	-3.4
Total Mill Products	881.7	894.9	12,610.8	12,316.6	2.4

Source: The Aluminum Association estimates total industry orders (including orders for imports) based on weekly reports by members of new orders (less cancellations) received. The Association expands these data to total industry utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. Weekly data are available on a subscription basis.

Note: Cumulative data includes revisions for previous periods.

(a) Domestic only. Orders for exports of Can Stock are included in Sheet and Plate, Other.

PRODUCER INVENTORIES UP 72 MILLION POUNDS

Reported producer inventories decreased in November 1990 to a reported total of 4,022 million pounds. This represents an 72 million pound decrease from the revised October level of 4,094 million pounds.

Month-End Aluminum Producer Inventories (Millions of Pounds)

	<u>Total</u>	<u>Ingot</u>	<u>Scrap</u>	<u>All Other</u>
September	4,039	1,349	636	2,054
October	4,094 _r	1,382 _r	661 _r	2,050 _r
November	4,022	1,362	638	2,021

Source: Bureau of the Census, U.S. Department of Commerce.

CUSTOMER INVENTORIES REPORTED AT 33.3 DAYS

Respondents to the Association's Customer Inventory Survey reported that their Average Days Inventory as of November 30, 1990 was 32.9, down 1.2 percent from inventories reported at the end of October.

Month-End Aluminum Customer Inventories (Average Number of Days)

September	33.9
October	33.3
November	32.9

Source: Aluminum Association - Customer Inventory Position Survey

U.S. IMPORTS & EXPORTS (Millions of Pounds)		1990 <u>November</u>	1989 <u>November</u>	1990* <u>11 Mos.</u>	1989 <u>11 Mos.</u>	% Change <u>1990 vs 1989</u>
Imports	Mill Products	84.2	69.9	940.2	876.0	7.3
	Ingot	129.7	118.8	1,987.4	1,921.2	3.4
	Total	214.0	188.6	2,927.6	2,797.2	4.7
	Scrap (+ dross)	41.4	38.4	555.3	455.2	22.0
	Grand Total	255.3	227.1	3,482.8	3,252.4	7.1
Exports	Mill Products	80.6	80.8	994.1	1,023.7	-2.9
	Ingot	138.4	160.9	1,344.6	1,133.9	18.6
	Total	219.0	241.7	2,338.6	2,157.6	8.4
	Scrap	154.4	114.8	1,080.8	1,181.1	-8.5
	Grand Total	373.4	356.5	3,419.5	3,338.7	2.4
Net Imports		-118.1	-129.4	63.4	-86.3	-173.4

Source: Bureau of the Census, U.S. Department of Commerce.

(*) Data may not be comparable to previous years due to changes in trade classifications effective January 1, 1989